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RECOMMENDATIONS OF THE COMMISSION ON TRANSNATIONAL CORPORATIONS TO THE PREPARATORY COMMITTEE FOR THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

Portugal*: draft resolution

Business and environment

The Commission on Transnational Corporations,

Noting that, following the adoption of Economic and Social Council resolution 1991/55 of 26 July 1991, the Preparatory Committee of the United Nations Conference on Environment and Development requested that development considerations, including those relating to large industrial enterprises and business plans and the environment, be integrated in all Agenda 21 programme documents,

1. Welcomes the conclusions and recommendations of the Conference on Ecologically Sustainable Industrial Development which was organized by the United Nations Industrial Development Organization and held at Copenhagen from 14 to 18 October 1991;

2. Takes note with interest of the report of the Secretary-General concerning transnational corporations and sustainable development; 1/

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* On behalf of the States Members of the United Nations that are members of the European Economic Community.

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3. Recognizes the need to facilitate the creation and operation of sustainably managed businesses, through the adoption of appropriate market-based policies, and stresses the importance of effective environmental management by all businesses, including transnational corporations;

4. Invites the Preparatory Committee of the United Nations Conference on Environment and Development, at its fourth session, to take account in its preparations for the Conference the role of business in promoting sustainable development and, in particular, the need for business to work towards:

(a) Developing appropriate corporate policies further to promote a shift towards sustainable development;

(b) Establishing or strengthening corporate and environmental management systems, including environmental compliance auditing, and organizational structures to monitor the adjustment to sustainably managed corporations;

(c) Conducting environmental practices on a consistently high basis in all global operations and integrating, where appropriate, those practices with the sustainable development needs of host countries;

(d) Reducing emissions and waste at the source through input and process changes rather than relying on end-of-pipe treatment by using cleaner industrial production processes and improving energy efficiency;

(e) Assuming a cradle-to-grave assessment approach to industrial products and projects;

(f) Promoting research and development activities relating to cleaner production technologies, giving priority to technologies that offer potential for improved efficiency and reduced pollution and the provision of training facilities for developing countries for this purpose;

(g) Contributing to the transfer of environmentally sound technology and management methods through the industrial and public sectors;

(h) Considering, where feasible, the use of environmentally sound substitute materials, renewable sources of energy and raw materials and recycling;

(i) Minimizing the use and export of highly hazardous processes, products, wastes and services by enterprises and, where appropriate, developing and maintaining emergency preparedness plans;

(j) Develcping and redesigning products and services, taking account of the shift towards a sustainable lifestyle;

(k) Providing information on the possible environmental effects of products;

(l) Fully complying with national and regional environmental laws, intergovernmental environmental guidelines and instruments and industry trade association standards and cooperating with Governments and relevant international organizations in their further development;

(m) Including environmental considerations in corporate accounting and reporting to help relate the environmental activities of enterprises to their financial position and performance;

(n) Incorporating environmental costs into the production of goods and services to send the right signals to producers and consumers;

5. Recommends that Member States develop their dialogue with business on environmental issues so as to promote positive contributions by business towards the solution of environmental problems;

6. Also recommends that Member States seek to establish a stable and transparent legal framework for environmental standards, thus enabling businesses to conform more efficiently to those standards and to plan ahead.